REMARKS

This Amendment is filed in response to the Office Action of December 22, 2008 in which claims 1-34 were rejected.

Regarding the 35 U.S.C. § 101 rejection, in conformance with the May 15, 2008 memorandum from John J. Love concerning *Clarification of "Processes" under 35 USC § 101* and the post-Bilski update thereof presented in the memorandum of January 7, 2009 to the Patent Examining Corps, the claimed methods 1 and 25 have been tied to another statutory class, i.e., an encoder. Although the rejected claims 27-32 recite methodological features, the claims are already tied to another statutory class, i.e., a computer readable medium. However, they have also been amended to tie the computer readable medium to a transmitter, i.e., a particular machine or apparatus. Claims 19 and 26 have been amended so as to be tied to an encoder.

An amendment to the specification has been made at page 21 to provide explicit support for the computer readable medium claims 19 and 26 as well as claim 27. This amendment does not introduce new matter because the amendment merely states in another way what was already in the specification at least at page 11, lines 1-3 and lines 30-31, corresponding to original claims 19-26, and moreover merely adds subject matter that is inherently included in the encoder of Fig. 6. It is well settled that the inclusion of such a description is not new matter if it was inherent and/or well-known to the public or one of ordinary skill in the art. See *Paperless Accounting v. Bay Area Rapid Transit System*, 804 F.2d 659, 661 (Fed. Cir. 1986) and *In Re Kline*, 474 F.2d 1325, 1328 (C.C.P.A. 1973). Basically, if one of ordinary skill in the art, given applicants' original disclosure, would clearly see that applicants had possession of the added matter at the time of the original filing, then that added matter is not new matter. Clearly that is the case here because even without the explicit support added by the above amendment, anyone of skill in the art would recognize a computer program product embodiment comprising machine executable steps, already mentioned in the specification, as necessarily meaning a computer readable medium of some kind. In other words, the amendment is made solely to comply with formal requirements of the USPTO not for reasons of substance.

Regarding the obviousness rejection in sections 5-28 on pages 3-6 of the detailed action, the Applicants have studied the *Dalby* reference and the examiner is right that the *Dalby* has some similarity to the concept of having two bitstreams.

However, *Dalby* does not teach the amended feature that successive switching frames do not have corresponding groups of macroblocks encoded by a first encoding method. See Figs. 3a and 3b as well as Figs. 4 and 5 for illustrations and for detail e.g. the discussion at page 15, line 21 to page 16, line 10 in connection with the example of Fig. 3a. Therefore, the obviousness rejection of claims 1-3, 6, 7-9, 12, 13-15, 18, 19-21, 24 and 33-34 should be withdrawn.

Regarding claims 4-5, 10-11, 16-17, 22-23, 25-36 and 30-31, the Examiner states that *Boyce* (US 2006/0126733) teaches slices but *Boyce* only teaches that pictures (i.e. frames) of a group of pictures (GOP) may be SP and SI pictures but does not go into details how each such SP/SI frame is structured (how each slice of an SP/SI frame is constructed within successive frames). Furthermore, *Boyce et al* is inapplicable as a 35 U.S.C. § 102/103 reference because its filing date (Jan. 21, 2004) and that of the U.S. Provisional 60/443,672 (Jan. 28, 2003), to which it refers, are both well after at least the U.S. filing date (Jun. 18, 2001) of U.S. Application Serial No. 09/883,887 (now U.S. Patent No. 6,765,963) from which priority is claimed, among others. Withdrawal of the obviousness rejection of these claims should be withdrawn as well.

The rejections and objections of the Office Action of December 22, 2008, having been obviated by amendment or shown to be inapplicable, withdrawal thereof is requested and passage of claims 1-34 is earnestly solicited.

Respectfully submitted,

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